

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 29, 2014

Kim Sanders Utah Septarian Treasures PO Box 118 Aurora Utah 84620

Subject: <u>Deficient Notice of Intention to Commence Small Mining Operations, Utah Septarian Treasures, Muddy Canyon Septarians, S/025/0034, Kane County, Utah</u>

Dear Mr. Sanders:

The Division of Oil, Gas and Mining has reviewed the referenced Notice of Intention to Commence Small Mining Operations (NOI), and the following items will need to be addressed before the NOI can be determined complete:

- 1. Please provide an operations map at a scale of approximately 1-inch = 200-feet that identifies the areas to be excavated for septarians, locations of overburden piles, topsoil stockpiles and product storage, and road/pad areas.
- 2. The Division needs to receive a reclamation surety in the amount of \$13,000.00 or \$13,500.00 for a three- or five-year escalation (surety amount next evaluated in 2017 or 2019). These amounts are based on information in the following table:

| 3-yea | r escalation (| (2017) | |
|-------------------------|----------------|------------|-------------------|
| <u>Item</u> | Qty | Unit Cost | Total Cost |
| 1st Acre Disturbance | 1 | \$8,000.00 | \$8,000.00 |
| Add'l Acres Disturbance | 1 | \$5,000.00 | \$5,000.00 |
| TOTAL | | | \$13,000.00 |
| 5-yea | r escalation (| (2019) | |
| <u>Item</u> | Qty | Unit Cost | Total Cost |
| 1st Acre Disturbance | 1 | \$8,300.00 | \$8,300.00 |
| Add'l Acres Disturbance | 1 | \$5,200.00 | \$5,200.00 |
| TOTAL | | | \$13,500.00 |



Page 2 of 2 Kim Sanders S/025/0034 October 29, 2014

The surety may be submitted in the form of a surety bond, a letter of credit, a certificate of deposit, or cash. Please contact Penny Berry, bond coordinator, at 801-538-5291 or by e mail at pennyberry@utah.gov if you have questions regarding the bonding or need assistance with the forms. You will also need to submit a reclamation contract which is available on the Division's web site at https://fs.ogm.utah.gov/PUB/MINES/Minerals Related/FORMS/MR-RC-SMO.pdf.

Please call Lynn Kunzler at 801-538-5310 or me at 801-538-5261 if you have questions regarding this letter. In reply, <u>please refer to file number S/025/0034</u>. Thank you for your cooperation.

Sincerely,

Paul B. Baker

Minerals Program Manager

PBB: lk: eb P:\GROUPS\MINERALS\WP\M025-Kane\S0250034-MuddyCanyonSeptarians\final\REV1-6246-10282014.doc